

RECEIVED SEP 07 1993

GWALIA (U.S.A.) LTD.



September 1, 1993

1801 Broadway, Suite 1620
Denver, Colorado 80202
U.S.A.
Telephone (303) 296-3200
Facsimile (303) 296-9130

Mr. Harvey M. Templeton, III
Bowater Incorporated
Box 188
Calhoun, TN 37309-0188

RE: Advance Minimum Royalty Payment for Exploration Agreement With
Option To Lease, Dated September 1, 1985, McCormick, South
Carolina.

Dear Mr. Templeton:

Please find enclosed check in the amount of \$120,000.00, drawn on
the account of Nevada Goldfields Inc. (NGI owns GUSA). This check
constitutes the advance minimum royalty payment due September 1,
1993, pursuant to the above referenced Agreement.

Following are the calculations used to drive the payment listed
above. In accordance with Article 5b. of the above referenced
Agreement, advance minimum royalty payments are adjusted to the
Consumer Price Index for all Urban Consumers from the effective
date of the said Agreement, September 1, 1985. The index for
September, 1985 is 108.3 and the most recent index is 144.4 for
July, 1993. Divide 144.4 by 108.3 equals 1.33333. Then multiply
times 90,000 the original payment, and the result is \$120,000,
current payment due.

Please feel free to contact me should you have any questions.

Sincerely,

Gwalia (U.S.A.) Ltd.

James D. Frank
James D. Frank
Vice President-Finance

JDF:(templeton-bowater-ltr-090192)

cc: JGK
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